REMARKS

Claims 2, 7, 8, 38, 39, and 42-49 are presently pending. Claims 7 and 8 have been amended to correct typographical errors. No surrender of claimed subject matter is intended by the amendment. Claim 42, 46, and 48 have been amended to further clarify Applicant's claimed invention. No new matter has been added. The amendment is supported throughout the original disclosure. No new search is believed to be required. Reconsideration of the present application is respectfully requested in light of the arguments given below.

The Applicant gratefully acknowledges that the Examiner has withdrawn the section 102 rejections made in the previous office action.

35 USC § 103(a) REJECTION OF CLAIMS 42-49

Claims 42-49 stand rejected under 35 U.S.C. 103(a) over Traise '117 (U.S. Patent 5,853,117). The Applicant respectfully traverses this rejection.

Applicant's claim 43 recites a separator/drive module for driving and separating at least on of a strip of tickets. Traise '117 generally describes a device for separating sticky labels, not a ticket separator. As mentioned in the previous Office Action response, the Examiner's Section 103 rejection is improper because the reference cited by the Examiner, Traise '117, is not analogous to Applicant's claimed invention. In the "Response to Arguments" section of the present Office Action, the Examiner argues that because "Traise '117 is being used as the base reference, ... there is no requirement known for it to be analagous to the claimed invention". Office Action, August 25, 2004, at 5 Applicant respectfully submits that this is an incorrect statement of both the relevant law and PTO rules. MPEP 2141.01(a) makes clear the requirement that ALL art used in a Section 103 rejection must be analogous to Applicant's claimed invention.

The examiner must determine what is "analogous prior art" for the purpose of analyzing the obviousness of the subject matter at issue. "In order to rely on a reference as a basis for rejection of an applicant's invention, the reference must either be in the field of applicant's endeavor or, if not, then be reasonably

pertinent to the particular problem with which the inventor was concerned." *In re Oetiker*, 977 F.2d 1443, 1446, 24 USPQ2d 1443, 1445 (Fed. Cir. 1992).

MPEP 2141.01(a). Applicant respectfully notes that perhaps the Examiner has confused the Section 103 requirement with the rules for Section 102, where there is no requirement that cited art be analogous. Traise describes a machine for cutting sticky labels, not game tickets. Traise's specification itself distinguishes his device from other devices for cutting non-adhesive paper products (such as Applicant's game tickets) and indicates that the substitution between these two fields of endeavor is inappropriate. *See, e.g.*, Traise 1:10-22. Traise uses special silicone elastomer-covered rollers to avoid sticking to the label adhesive, Col. 1: 42-48, and special high friction rollers for engaging the slick surface of a label web which is designed not to stick to the sticky side of the labels when the labels are in roll form. These features are not present in game tickets. Traise does not teach or suggest the problems of dispensing game tickets that are addressed by the Applicant. Applicant respectfully submits that Traise, which deals with separating sticky labels is not analogous to Applicant's ticket dispensing invention, and respectfully requests withdrawal of the Section 103 rejection on at least this ground.

Moreover, to establish a prima facie case of obviousness, the prior art reference(s) must teach or suggest ALL the claim limitations. *See* MPEP 2143. Applicant's Claim 43 positively recites a strip of tickets. This feature is neither taught nor suggested in Traise, and has not been identified in the cited reference by the Examiner. Game tickets are different than other web cutting applications because they are essentially negotiable instruments - thus tearing or defacing them is a much greater problem than in many other applications such as Traise's label cutting application. In fact, cutters, which Traise generally describes, have generally been found unacceptable for game ticket separation applications. Applicant respectfully submits that the labels of Traise neither teach nor suggest a strip of tickets. Rather as discussed above, Traise deals with sticky labels, a different type of product to be dispensed with different properties than some tickets. The labels dealt with in Traise are sticky on one side, and very slippery on the other side, to prevent the labels from sticking together when the labels are in a roll. Because Traise does not teach or suggestion the recited strip of game

tickets, Applicant respectfully submits the Section 103(a) rejection of claim 43 should be withdrawn.

Claim 43 also postively recites a housing with an inlet opening and an outlet opening. The Examiner acknowledge that Traise does not disclose a housing, or the recited inlet opening and outlet opening. To correct this deficiency, the Examiner takes Official Notice that such features are allegedly old and well known in the art. To the extent the Examiner relies on Official Notice to provide either missing features or motiviation to modify the Traise '117 reference, the Applicant respectfully traverses and respectfully requests the Examiner cite a reference or provide an affidavit in support of the rejection. See MPEP 2144.03.

To the extent the Examiner is proposing a modification based on a combination with Hartman or Pfeiffer, Applicant respectfully submits that the rejection is formally improper because the Examiner has not expressly relied on these references in stating the grounds for the rejection. Moreover, even if there were a formally correct rejection expressly based on this combination of references, the rejection would be improper for at least the following reasons.

First, Applicant submits that Pfeiffer, which addresses cutting data tapes, is not analogous art to Applicant's claimed invention. Second, no proper motiviation to combine the references is identified in the art - the Examiner is engaged in a pure hindsight reconstruction without identifying the motiviation to combine in the prior art. To reject, the Examiner must find a suggestion to combine the references that is "clear and particular". *In re Dembiczak*, 50 U.S.P.Q.2d 1614 (Fed. Cir. 1999). The requirement is for "actual evidence" of the proposed motivation to combine. *Teleflex, Inc. v. Ficosa North America Corp.*, 299 F.3d 1313, 1334, 63 USPQ2d 1374 (Fed. Cir. 2002). The fact that references can be combined or modified does not render the resultant combination or modification obvious unless the prior art also suggests the desirability of the combination or modification. *See* MPEP 2143.01 (citing *In re Mills*, 916 F.2d 680 (Fed. Cir. 1990). Because there is no particular suggestion from a cited reference, or an affidavit of official notice, Applicant respectfully submits the Examiner's combination is improper and respectfully request withdrawal of the section 103 rejections.

For at least all the above reasons, Applicant's respectfully submit that the Section 103 rejection of claim 43 should be withdrawn.

Claim 42, 44, and 45 depend from claim 43 and thus should be patentable for at least the reasons given above for claim 43. Moreover, claim 42 recites a shaft with "a dull helical projection extending therefrom". Applicant notes that a similar feature was also originally present in claim 7, which recites a "at least one rotary dull helical separator member". This feature is found in none of the cited references. To the extent the Examiner takes Official Notice "that such blade configurations are old and well known in the art" the Applicant respectfully traverses and requests either an affidavit or a reference citation.

In any event, the Examiner has not provided a proper motivation to combine the references in a way that would fairly teach or suggest applicant's claimed separator/driver module with a dull helical separator member. To make out a prima facie case of obviousness, the Examiner must find a suggestion to combine the references that is "clear and particular". *In re Dembiczak*, 50 U.S.P.Q.2d 1614 (Fed. Cir. 1999). The requirement is for "actual evidence" of the proposed motivation to combine. *Teleflex, Inc. v. Ficosa North America Corp.*, 299 F.3d 1313, 1334, 63 USPQ2d 1374 (Fed. Cir. 2002). The Examiner's motivation is a hindsight reconstruction, obtained by picking and choosing elements from Applicant's claimed invention. Applicant respectfully submits that Examiner has not met his burden of finding a motivation to combine in the cited art, and thus has not made out a prima facie case of obviousness.

Moreover, Applicant submits that Traise expressly teaches away from the recited "dull helical projection". Traise describes the use of a breaker bar in combination with a smooth edged arbor to effect spearation of sticky labels. The Examiner argues that it would have been obvious to make Traise's breaker bar helically shaped. Traise is intended for the high speed separation of linerless sticky labels. In particular, Traise describes the advantage of his breaker bar as being used with a <u>continuously moving</u> web, i.e., the web is not stopped for the bursting operation. Applicant's parent claim 43 expressly recites that the ticket strip is

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held stationary under control of the controller during the actual separation operation.

Applicant respectfully submits that using a helical shaped burster would be inappropriate for such a continously moving web. Because the various points on a helical burster contact the workpiece at different times, the entire edge of the burster would not be able to contact the weakened area of the web while it was opposite the helical burster - this is because the web in breaker bar embodiment of Traise is continuously moving. Use of the helical burster on Traise's continuously moving web would likely result is improper tearing or damage to the web. Thus, Traise teaches away from Applicant's dull helical separator member.

Claim 46 should be allowable for reasons similar to those given above for claims 42 and 43. Claims 47-49 depend from claim 46 and thus should be patentable for at least the reasons given above for claim 46.

For at least the reasons given above, withdrawal of the Section 103 rejections of claims 42-49 is respectfully requested.

35 USC § 103 REJECTION OF CLAIMS 2, 7, 8, 38 and 39

Claims 2, 7, 8, 38 and 39 stand rejected under 35 U.S.C. 103(a) over Burr (5,222,624) in view of Bittner (5,290,033) and Traise (5,853,117).

First, Applicant's claim 7 claims a multi-game ticket self-service terminal. As an initial matter, as discussed above for claim 43, the Applicant respectfully submits that Traise is not analogous art and his apparatus is unsuitable for use with game tickets.

Next, the combination of references proposed by the Examiner neither teaches nor suggests Applicant's claim 7. Independent claim 7 recites "at least one rotary dull helical separator member". None of the cited references teach or suggest a dull helical separator member. The Examiner relies on Traise to provide this element in his proposed combination of references.

As discussed previously, Traise does not teach or suggest the recited dull helical separator. Traise's label cutter has two embodiments, one with a sharp rotary blade for cutting <u>stationary</u> webs of labels, and one with a smooth breaker bar for bursting a <u>continuously moving</u> web of labels. *See*, *e.g.*, Col. 5: 19-20. Traise's smooth breaker bar is not helically shaped. Thus, there is no teaching or suggestion in Traise of a dull helical separator as recited in Applicant's claim 7.

Furthermore, no motivation is provided to combine Traise's two embodiments to produce the dull helical separator recited in Applicant's claim 7. The Examiner relies on official notice to add a helical shape to Traise's smooth burster bar. Applicant respectfully traverses this official notice, and requests either an affidavit or the citation of a reference. Moreover, as discussed previously, making Traise's breaker bar helical would make it unsuitable for its intended application – use with a continuously moving web of linerless sticky labels.

Claim 8, which claims a multi-game ticket self-service terminal which includes as part of its recited elements a dull rotary separator, should be allowable for at least similar reasons to those given above for claim 7. Moreover, the Examiner admits that Burr, the primary reference cited by the Examiner against claim 8 lacks both the recited detector means and recited credit means. The Examiner relied on Official notice that the detector means as recited in Applicant's claim 7 are "old and well-known in the art". Applicant respectfully traverses, and requests either a reference cited with a proper motivation to combine or an affidavit. See MPEP 2144.03. To the extent the Examiner is combining Bittner with Burr to correct the admitted deficiency of the reference, Applicant traverses and submits that the Examiner is engaged in hindsight reconstruction. The combination of Burr with Bittner is taught by neither reference. Bittner is a dispenser for pull-tab tickets dispensed from packs of separate tickets while Burr deals with tickets on continuous strips. The Examiner has given no proper motivation to combine these references, instead relying on a pure hindsight reconstruction.

Moreover, to the extent the combination arguably were proper, the Burr and Bittner references involve both games and ticket dispensers with fundamentally different principles of operation - separated pull-tab tickets and scratch-offs in continuous strips. If the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims prima facie obvious. *See* MPEP 2243.01 (citing *In re Ratti*, 270 F.2d 810 (CCPA 1959). Accordingly, the Applicant respectfully withdrawal of the rejection based on the proposed combination of Bittner and Burr.

Claim 2, which depends from claim 8, should be patentable for at least all the reasons given above for claim 8. Moreover, claim 2 further recites that the ticket types include instant-winner pull-tab tickets stored in stacks of separate tickets. Applicant respectfully submits that none of the cited references teach or suggest a ticket dispenser that dispenses both from stacks of separate tickets and from tickets stored in strips. The Examiner takes Official Notice that such tickets are old and well known, and proposes a combination based on "well known benefits". Applicant respectfully traverses the official notice and requests an affidavit or reference. See MPEP 2144.03. Applicant readily admits that game tickets have been available in strips and in stacks of separate tickets for some time. However, Applicant emphasizes that none of the cited reference teach or suggest a single machine that provides both types of tickets. The Examiner's proposed combination is a pure hindsight reconstruction, as none of the cited references teach such a combination is desirable or even possible.

For at least these reasons, Applicant respectfully submits the Section 103 rejection of claim 2 should be withdrawn.

Independent claim 39 recites a multi-game ticket self-service terminal having a housing. The terminal includes a dispensing means having a drive housing. This claim should be allowable for reasons similar to those given above for claims 8 and 43. Claim 38 depends from claim 39 and recites that the ticket types include instant-winner pull-tab tickets stored in stacks of

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separate tickets. Claim 38 should thus be allowable for additional reasons similar to those

given above for claim 2.

For at least the above reasons, Applicant respectfully submits that the cited references do not

render claims 2, 7, 8, 38 and 39 obvious. Applicant respectfully requests the withdrawal of

the Section 103 rejections for these claims.

CONCLUSION

The claimed invention is new, non-obvious and useful. All reasons for rejection having been

obviated, withdrawal of the rejections and prompt passage to allowance is respectfully

requested.

The Examiner is invited to telephone the undersigned attorney to discuss the amendments or

any questions about the enclosed arguments.

Respectfully submitted,

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